

February 13, 2003

Honorable Michael Powell
Chairman
Federal Communications Commission 445 12th Street, SW
Washington, DC 20544

Dear Ms. Dortch:

On behalf of more than 3,200 companies located in the greater Dayton region, the Dayton Area Chamber of Commerce would like to encourage the Federal Communications Commission (FCC) to enact rules to eliminate unnecessary regulations on the telecommunications industry. Such action would create a national framework that provides incentives for investment, which will naturally lead to long-term, sustainable competition in the telecommunications industry.

Specially, the Chamber is recommending the FCC eliminate unbundled switching and the unbundled element platform (UNE-P) as well as other unbundling requirements where facilities-based competition has developed. Since competition in the market for high capacity loops and transport is prolific in many areas of the country, the Chamber believes the current unbundling requirements should be lifted.

The Chamber supports such action based on the belief that unless economically irrational facilities unbundling rules are eliminated, the FCC will devastate the telecommunications industry and the high-tech manufacturing sector. The Chamber has been made aware that these rules have cost more than 500,000 jobs during the past 3 years, while more than \$1.7 trillion in stock market capitalization has evaporated and capital spending has been severely curtailed. In a region like Dayton, which is heavily dependent on the telecommunications industry to foster economic growth, telecommunications companies should have the flexibility needed to invest and expand.

In addition, the Chamber believes the FCC should not extend unbundling requirements to broadband facilities. Freeing broadband investment from costly unbundling requirements will encourage industry investment and deployment of valuable new technologies nationwide. The products and services provided by broadband technologies will add significant value, efficiencies and capabilities to small and large businesses across the U.S. A recent study released by the Progress and Freedom Foundation found that eliminating the current unbundling regime would result in the creation of 1.115 million new jobs in the communications sector and an increase in capital spending of \$169.5 billion over the next five years. Since our community is currently dependent on manufacturing jobs, any possibility to diversify our workforce to include high-tech communications jobs is wholeheartedly supported.

Thank you for your consideration of this issue. If you would like more information regarding the Chamber's position, do not hesitate to contact me at (937) 226-8289 or bucklew@dacc.org.

Sincerely,

Bryan J. Bucklew,
Vice President of Economic Development & Public Policy